



## **Wales TUC written evidence to National Assembly for Wales Environment & Sustainability Committee**

### **Inquiry into the general principles of the Well-being of Future Generations Bill**

#### **Introduction**

1. Wales TUC broadly supports the principles of the Well-Being of Future Generations Bill (the Bill). We believe it has the potential to advance social justice across our public services, environment and the wider economy. However, it is important to understand the context of the short and long term challenges facing our public services when appraising the Bill.
2. Public service workers in Wales have seen their living standards drop with six consecutive years of falling real pay due to pay freezes and subsequent below inflation awards. At the same time, austerity continues to deliver drastic cuts to the block grant for Wales which is currently £1.7bn smaller than the 2010 settlement. Resultant cuts to services, jobs and conditions have damaged morale, skills development and the capacity of the public sector workforce. We believe the dramatic rise in workplace stress across local government in Wales serves as an indicator of the unjust and unsustainable pressures public sector workers face in Wales.
3. The impact of the recession and subsequent austerity has added to the long term pressures brought about by fragmented public service delivery and organisation. The Williams Commission on Public Service Governance and Delivery sets out in detail how overly complicated governance structures, piecemeal reorganisation and fragmented public services organisation has prevented services and those who deliver them from reaching their full potential.

4. We agree with many of the observations set out in the Williams Commission and have long advocated a 'One Public Service' approach in Wales that prioritises public ownership, effective training and redeployment across the devolved public services. A more democratic and coordinated approach also offers an opportunity to deliver social justice with excellent services in which public sector workers are motivated and properly supported.
5. The wider economic impact of recession and longstanding deprivation in many communities should also be recognised as a major contributing factor to the well-being of future generations. The prevalence of low paid, insecure work in Wales has seen poverty affect even more people in work than those who are not in employment. More than three decades of deindustrialisation, low levels of business investment, a deregulated financial sector and a lack of industrial strategy has reduced the voice of people at work and the share they receive from the benefits of growth. With close to one in four workers (23%) in Wales paid less than the living wage, Wales has the largest the share of workers paid below the level needed to cover the basics than any other region or nation in the UK. In terms of GVA output, the UK is also by far the most unequal state in the European Union.
6. The outcomes of the Bill are ambitious in terms of achieving environmental and economic social justice. To make genuine progress towards 2050 it is important to recognise the domestic and global barriers which have prevented Wales from reaching these goals until now.

### **Renewing Social Partnership**

7. It is our view that social partnership should be explicitly provided for on the face of the Bill. We believe a specific commitment to social partnership is the only means by which working people will be able to enjoy full and proper access to, and influence over, how our public services are organised and held to account. The role of social partners within our democratic structures should be clearly set out and explained so that it is understood by all concerned parties.
8. Social partnership currently operates across formal and informal settings in Wales. Where it fails to operate effectively, misunderstandings

surrounding the nature of democratic representation - and specifically the role of trade unions within civic society – is often the main barrier to progress. This Bill presents an opportunity to formally settle the matter and dramatically increase the understanding of social partnership across our public services and wider economy.

9. It is also essential that the Bill does not provoke unintended consequences which undermine or detract from any existing and any future all-Wales social partnership structures or agreements. These include, but are not limited to, the Workforce Partnership Council and the Council for Economic Renewal.

### **Advisory Panel**

10. At present the process of statutory appointments to the Advisory Panel to support the work of the Commissioner appears on the face of the bill along with provisions for Welsh Ministers to appoint additional members. We believe that the Bill should refer to social partners, explicitly including trade unions, to ensure their right to participate is realised. Existing proposals for 'additional members' is not satisfactory in this regard.
11. At the all-Wales strategic level, the Wales TUC is the largest democratic civic organisation in Wales. With over 50 affiliated unions together representing around 400,000 workers, Wales TUC is the voice of Wales at work and plays a unique role in advocating for working people and holding decision makers to account. This role should be recognised as distinct from that of individual unions bargaining within specific workplaces. The latter role should ensure representation at the local level on the new Public Service Boards (see para 15 below).
12. Currently the Bill requires that the Commissioner must simply consult 'trade unions representing workers in Wales' (c.22(1)1g)) on the Future Generations Report which he or she is required to publish annually. We do not believe that this grasps the opportunity to enshrine social partnership in legislation and believe guaranteed Wales TUC representation on the Advisory Panel should be included on the face of the Bill.

## **Public Service Boards (PSBs)**

13. We broadly welcome the proposals to make PSBs more accountable and subject to democratic oversight by local authorities and Welsh Ministers.

14. The Bill requires there to be a PSB for each local authority area in Wales. Membership of these will be drawn from the local authority; the local health board(s); the fire and rescue authorities and Natural Resources Wales. Furthermore, invitations to participate are prescribed for:

- Welsh Ministers
- Police
- Probation Services
- 'a body representing voluntary organisations in the area'

and a list of other 'partners' outlined in clause 30.

15. The Wales TUC believes that trade unions (and in particular unions recognised for collective bargaining within the relevant public service organisations) should have representation on each of these Boards. It should be possible to put this on the face of the Bill rather than rely on a potential add on seat by invitation rather than as of right. The Wales TUC would be willing to co-ordinate these appointments across all of the Boards.

16. Currently the Public Service Boards must consult 'trade unions representing workers in Wales' (c.36(1)(i)) before publishing their required assessment of local well-being and before publishing their 'local well-being plan' (c.42(1)(h)). The Wales TUC believe that integrating trade union involvement into policy development processes provides an opportunity to underpin the commitment to social partnership and assist in the delivery of the plans.

## **Indicators**

17. It is our understanding that work on the new suite of indicators will take place following the introduction of the Bill. To this end, we do not intend to respond to the current consultation on the Indicators but the Wales TUC would seek detailed involvement in drawing up the new National Measures of Progress (indicators). In order to make progress against the overall goals, Wales TUC believes that the Future Generations Bill should drive significant improvement in the contribution

of the private sector. In areas like procurement, progress is being made but more challenging and broader indicators are needed to reflect realistic and measurable progress.

18. We do not believe that the existing Sustainable Development Indicators are sufficient to deliver against the goals set out in the Bill. Given the ambitious nature of the goals we believe that a wider range of indicators are necessary in order to assess progress in a meaningful way. To this end, the following areas ought to be considered for inclusion in an intelligently designed suite of indicators that reflect the barriers facing well-being across Wales:

- in-work poverty
- underemployment
- skills levels including access to, demand for, adult training
- NEET levels
- long term unemployment
- gender pay and flexible working
- the living wage
- mental health
- trade union membership and collective bargaining coverage
- Zero hour contracts

19. When developing this work, the Welsh Government should also consult international best practice including the International Labour Organisation's indicators for Decent Work:

[http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/meetingdocument/wcms\\_115402.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/meetingdocument/wcms_115402.pdf)

20. The principle of setting long terms goals that promote social justice across Wales is welcome and we believe that the Bill offers unique opportunity to challenge, and in time overcome, the entrenched inequalities that prevent Wales from thriving.

21. With the right structures and indicators, it is our hope that the Bill will encourage government and employers to take a more long term view on how social justice is best achieved. At present ordinary working people are paying the price for a crisis they did nothing to cause. This Bill offers an opportunity to put the views of hundreds of thousands of workers in Wales at the heart of decision-making in their local areas and enshrine their place at the table to deliver a fairer Wales for future generations.